

FACT SHEET SUPPORTING DRAFT RESOLUTION
For
The Abolition of all United States Imposed Economic Sanctions

US UNILATERAL COERCIVE ECONOMIC SANCTIONS (ECONOMIC SANCTIONS)

Unilateral coercive economic sanctions are transactional constraints imposed by the US against countries, groups, entities and individuals that resist its dictates, neoliberal policies and regime change efforts. Economic sanctions impact, as of December 2019, a third of humanity in 39 countries and include, but are not limited to, financial and trade embargoes, blockades, asset freezes, property seizures, travel bans, tariff increases, foreign assistance reductions and cut-offs, export and import limitations, negative votes in international financial institutions, cancellation of air links, and prohibitions on credit, financing, and investments. Often economic sanctions are accompanied by diplomatic sanctions such as the withdrawal of diplomatic relations and denial of visas. Embargoes may include no-fly zones and/or naval blockades.

Conversely, Washington markets economic sanctions as a “smart” and “more peaceful” way to combat the proliferation of weapons of mass destruction, terrorism, money laundering, and drug, weapon & human trafficking. However, these lies are sometimes too difficult for even Washington to manufacture and maintain, as the United States criminal leadership in these illicit activities [often gets exposed](#). Not only did the US 1981 coup attempt in Nicaragua fail, just as it did again in 2018, but it revealed the drug, weapon & human trafficking operations [routinely undertaken by Washington’s intelligence agencies](#), to the [public](#) and to [members of congress and the senate](#).

As such, economic sanctions are also slyly marketed by Washington, as being a means to forward its speciously defined “humanitarian” and “democratic” agenda. This sets a much lower bar with an even more subjective and easier to fake criteria; and allows the United States to implement, with impunity, economic sanctions that devastate the most vulnerable people in the countries it claims it’s seeking to protect.

Consider that Nicaragua, a peaceful country the size of New York state, that shares no border with the US superpower; has no weapons of mass destruction; has no trafficking - unlike its neighboring countries; has no terrorist cells; and was lauded by the [IMF](#) and [World Bank](#) in their 2018 reports, was nonetheless called by US President Donald Trump in 2019 “[a threat to the national security and foreign policy of the United States](#)”. This boldface lie of Trump’s serves to justify the grave misuse of executive privilege granted under the International Emergency Economic Powers Act (50 U.S.C. 1701-1706) and clearly exemplifies how economic sanctions are a charade and an economic weapon used for regime change.

LAWS DELEGATING SANCTIONING POWER TO THE PRESIDENT

International Emergency Economic Powers Act (IEEPA - 50 U.S.C. 1701-1706)

Trading with the Enemy Act of 1917

Foreign Assistance Act of 1961

International Emergency Economic Powers Act of 1977

Export Administration Act of 1979

The USA Patriot Act of 2001

US ENTITIES WITH SANCTION MAKING AUTHORITY

President

Congress

State & Local Governments

Bureau of Industry and Security

Directorate of Defense Trade Controls

Office of Foreign Assets Control

U.S. Customs and Border Protection

United States Department of Commerce (Export Administration Regulations, EAR)

United States Department of Defense

United States Department of Energy (nuclear technology)

United States Department of Homeland Security (border crossings)

United States Department of Justice

Bureau of Alcohol, Tobacco, Firearms, and Explosives

Federal Bureau of Investigation

United States Department of State (International Traffic in Arms Regulations, ITAR).

Financial Crimes Enforcement Network (“FinCEN”)

ORDER & ACT ENABLING SANCTIONS UNDER “TERRORISM”

Executive Order 13324 (September 23, 2001) mandates the freezing of the US based assets of and a ban on US transactions with entities determined to be supporting international “terrorism”. This order was issued two weeks after September 11, 2001, under the authority of the International Emergency Economic Powers Act. On September 10, 2019, E.O. 13224 was amended to authorize the barring from the US financial system, any foreign bank determined to have conducted or facilitated any significant transaction with any person or entity designated under the Order.

The USA Patriot Act (October 24, 2001) grants, among other things, the Financial Crimes Enforcement Network (“FinCEN”) powers under Section 311 of the Act to designate foreign jurisdictions and financial institutions of “primary money laundering concern,” and subject them to “special measures,” effectively cutting them off from the US financial system.

KEY PUBLIC LAW IMPOSING SANCTIONS

[Countering America's Adversaries through Sanctions Act](#) (CAATSA, P.L. 115- 44, August 2, 2017). Amongst other things, this law imposes new sanctions on Iran, Russia, and North Korea.

TWO FORMS OF ECONOMIC SANCTIONS

Primary Sanctions

Primary sanctions restrict companies and individuals in the US from engaging in prohibited transactions with a sanctioned target. This applies to US persons, as well as US-origin goods and involves exchanges that take place in US territories or in areas in which the US can assert its jurisdiction.

Secondary Sanctions

Secondary sanctions are directed towards foreign entities. These measures threaten to cut off foreign countries, governments, companies, financial institutions and individuals from the US financial system if they engage in prohibited transactions with a sanctioned target - irrespective as to whether or not that activity impacts the United States directly. This forces all parties worldwide to comply with US dictates or risk financial penalties, criminal charges, and sanctions. With over [1,000 military bases and installations](#) in over [120 countries](#), US aggression remains an ever present threat against noncompliance.

US FINANCIAL SYSTEMS

SWIFT & CHIPS Communication Systems

The US exerts broad control over international banking transactions through the Society for Worldwide Interbank Financial Telecommunication (SWIFT) and The Clearing House Interbank Payments System (CHIPS). This framework allows banks with no relationship with each other to transact in a common currency (dollars) via a common bank (the New York Fed).

SWIFT

Despite SWIFT not being located in the United States, it is controlled by US banks, which own the majority of the system and have officials on its board. Additionally, SWIFT makes all of the system's data available to the US government, even when transactions do not involve the United States.

CHIPS

The CHIPS system, which provides communication as well as settlement functions, is governed by US law, has many US banks as owners, and is directly overseen by US authorities.

THE FEDERAL RESERVE BANK OF NEW YORK & OFAC

[The Federal Reserve Bank of New York](#) is the bank the United States government uses to control [foreign government accounts](#). It is part of the federal reserve system which

consists of 12 banks administered by a [Board of Governors](#) in Washington, D.C. It reports to and is directly accountable to Congress.

The [U.S. Department of the Treasury's Office of Foreign Assets Control](#) (OFAC) promulgates, develops and administers laws that impose economic sanctions against its targets. In addition to the OFAC, the president and congress, many other governmental entities can enact sanctions.

ACTS ENABLING ECONOMIC SANCTIONS & PENALTIES

Several [acts](#) enable the US government to impose financial penalties up to \$5,000,000 for individuals, \$10,000,000 for corporations, and up to 30 years imprisonment. In 2019, twenty-six civil penalties resulted in [\\$1.3 billion](#) in penalties/settlements. Considering that the New York Federal Reserve [maintains \\$3.3 trillion in assets](#) from approximately 250 countries, according to its 2015 promotional material, asset freezes can strangle a country's economy.

TYPES OF ECONOMIC SANCTIONS

US economic sanctions can be either comprehensive or selective, and are deployed against foreign countries, governments, companies, financial institutions, and individuals. OFAC's Specially Designated Nationals and Blocked Persons List ("SDN List") has approximately 6,300 names connected with sanctions targets. Entities that an SDN owns (defined as a direct or indirect ownership interest of 50% or more) are also blocked, regardless of whether that entity is separately named on the SDN List.

EXTRATERRITORIAL SANCTIONS

Extraterritorial sanctions are proliferating. They apply to persons in countries not otherwise subject to sanctions. While the 2012 Magnitsky Act was originally set against Russia, it has been repurposed to apply to any foreign national deemed responsible for or complicit in "human rights violations" or "corruption". US captive quasi non-governmental organizations and associations such as the [National Endowment for Democracy \(NED\)](#), [Organization of American States \(OAS\)](#), [Amnesty International](#), [Human Rights Watch](#) and [religious organizations](#) etc. are notorious for assembling and proselytizing baseless cases against leaders that Washington targets for regime change, while ignoring the flagrant human rights abuses of military dictatorships and coups that allow the United States unfettered access to their natural resources.

Although charged with administering sanctions on behalf of the Treasury, according to [OFAC](#), it does not maintain a specific list of targeted countries. Additionally, it remains silent on the cost of administering sanctions, and it fails to identify ownership of seized and/or frozen assets or list the value singularly or in aggregate of said assets, and it doesn't provide any metrics to gauge if stated strategic goals are achieved. Since there is no official cost/benefit analysis (CBA) available for its program, the Treasury remains unaccountable and shielded from scrutiny by oversight offices, elected officials, as well as US taxpayers.

Even the US government's self-serving [General Accounting Office's 2019](#) (GAO) Intelligence Community sourced report notably omits the CBA of sanctions from its

analysis. No matter what meager achievements are claimed in its propaganda, its draconian sanctions against Cuba and Iran for sixty and forty years respectively has obviously failed to achieve its clearly stated regime change goal.

Currently, the GAO is prohibited by law from auditing the Federal Reserve's transactions for or with foreign central banks, the governments of foreign countries, and private international financing organizations. [S.148 - Federal Reserve Transparency Act of 2019](#) was proposed to correct this issue. However, considering the results from the GAO's report on sanctions, their objectivity remains highly questionable.

STATE DEPARTMENT "ANTI-TERRORISM" SANCTIONS

As of 2020, [the State Department lists 69 entities as terrorist organizations](#). Because it includes the Islamic Revolutionary Guard Corps (IRGC) on its list, Washington justifies sanctions being waged against [Iranian banks](#) under Executive Order 13324, which mandates the freezing of the US based assets and transactions with entities determined to be supporting international "terrorism".

Its Bureau of Counterterrorism identifies potential targets for designation. But not only does it consider actual terrorist attacks that a group has carried out for this sanctionable designation, but also if a group has the "capability and intent to carry out such acts". Thus, an entity can be sanctioned for thought crimes projected upon it by the United States government. In effect, only the United States and its allies can have a military, nuclear weapons etc. and remain in a position to defend itself. Further, a "terrorist activity" or "terrorism" is not only defined as an imagined threat to the United States "national defense" but also an imagined threat to its "foreign relations and economic interests."

Once a target is identified, Congress is notified and given seven days to review the designation. Upon the expiration of the seven-day waiting period and in the absence of Congressional action to block the designation, notice of the designation is published in the Federal Register, at which point the designation takes effect.

SANCTIONED COUNTRIES LIST

Research shows that as of February 2020, US sanctions were set against [39 countries/territories](#):

1. Afghanistan
2. Belarus
3. Bosnia and Herzegovina
4. Burundi
5. Central African Republic
6. China (PR)
7. Comoros
8. Crimea Region of Ukraine
9. Cuba
10. Cyprus
11. Democratic Republic of the Congo
12. Guinea
13. Guinea Bissau
14. Haiti
15. Iran
16. Iraq
17. Kyrgyzstan
18. Laos
19. Lebanon
20. Libya
21. Mali
22. Mauritania
23. Moldova
24. Montenegro
25. Myanmar
26. Nicaragua
27. North Korea - DPRK
28. Palestinian Territories
29. Russia
30. Rwanda
31. Serbia
32. Somalia
33. South Sudan
34. Sudan
35. Syria
36. Tunisia
37. Venezuela
38. Yemen
39. Zimbabwe

ECONOMIC SANCTIONS VIOLATE INTERNATIONAL & HUMANITARIAN LAW

US imposed economic sanctions violate international law and the fundamental principles that govern diplomacy and multilateralism under [Chapter VII of the United Nations Charter](#). Further, they circumvent human rights obligations and international humanitarian law set forth in the [Fourth Geneva Convention](#), the [Genocide Convention](#), [Nuremberg Charter](#), [Constitution of the World Health Organization](#), and in the [Universal Declaration of Human Rights](#), and [Rome Statute of the International Criminal Court](#)

ECONOMIC SANCTIONS VIOLATE DOMESTIC LAW

As US imposed sanctions are in violation of international law, they are thereby in violation of domestic law pursuant to the Supremacy Clause of the US Constitution and US Supreme Court's decisions holding that "[international law is our law](#)".

ECONOMIC SANCTIONS FUNCTION AS UNDECLARED WAR & TERRORISM

Economic sanctions function as undeclared war and terrorism, by creating severe economic disruption and hyperinflation in countries. This effect can be illustrated by [Venezuela](#) and [Iraq](#). This results in chronic shortages of basic human necessities such as potable water, food and medicine. In the case of [Lebanon](#), food, clothing and medicine intended to be used to relieve human suffering were specifically blocked and could only be authorized by OFAC. As shown by Iran with the COVID-19 epidemic, the denial of test kits due to the grave misapplication of the 911 terrorist act, have may have already resulted in over 34 deaths and over [388](#) new cases. According to statistical models the epidemic may impact [18,000 Iranians](#).

Economic sanctions interfere with the functioning of essential infrastructure i.e. electrical grids, [water treatment & distribution facilities](#), transportation hubs and communication networks by [blocking access to key industrial inputs](#), such as fuel, raw materials and [replacement parts](#).

Economic sanctions lead to droughts, famines, disease, and abject poverty, resulting in the untold death of millions. Exact numbers are difficult to quantify because no international tally of casualties due to economic sanctions are recorded, which obfuscates its overall fatal impact.

In every sanctioned country, the most vulnerable of its people – infants, children, the chronically ill and the elderly – suffer the worst impact of economic warfare and terrorism. According to the Center for Economic and Policy Research's 2019 report, [40,000 people have died in Venezuela](#) since 2017 due to US led sanctions. Additionally, a report on Iraq back from 1995 attributes the death of [576,000](#) children to US sanctions. Further, these sanctions weaken a targeted country's ability to handle natural and climate change disasters. For example, [Haiti](#) was subject to [sanctions](#) from [1992-1996](#) and simultaneously suffered [Hurricane Gordon in 1994](#), which resulted in 2,000 deaths and disappearances in addition to the deaths of [thousands of children](#) directly caused by US led sanctions.

Economic sanctions [deny hospitals and health care facilities](#) essential supplies needed to initiate lifesaving procedures and operate machinery and equipment.

Economic sanctions undermine progressive social programs that improve health, nutrition and education in [Nicaragua](#), [Venezuela](#), [Cuba](#) and [Zimbabwe](#) amongst other countries.

Economic sanctions are imposed without consideration of their negative impact on the [global economy](#), entire regions are severely disrupted by lost trade and blocked financial services and these are often done to disrupt trade relations with China and/or Russia as in the case of [Zimbabwe](#), a country with an abundance of strategic raw minerals.

Economic sanctions are imposed without consideration of their negative impact on domestic industries which affects American businesses, farmers, workers and consumers. Sanctions cost U.S. companies billions of dollars a year in lost sales and returns on investment—and [cost many thousands of workers their jobs](#). Exports lost today may mean lower exports after sanctions are lifted because US firms will not be able to supply replacement parts or related technologies. Foreign firms may also design US intermediate goods and technology out of their final products for fear of one day being caught up in a US sanction episode.

As a consequence of US sanctions, workers probably lost somewhere between [\\$800 million and \\$1 billion](#) in export sector wage premiums in 1995. Using this formula, the cumulative loss of wage premiums may exceed \$25 billion (25 years times roughly \$1 billion a year, not taking into account inflation, the rising annual loss of exports or the accelerated velocity of sanctions by 2020). If the exponential growth of civil penalties against entities that violate sanctions can be used as an indicator of underlying sanctions, just from 2008 to 2019 alone, there is a precipitous rise from \$3.5 million to \$1.3 billion respectively. However, these costs are routinely overlooked or underestimated because they are not factored into any US government budget table.